

July 1, 2003

**MEMORANDUM**

TO: Purchasing Offices  
Departments, Institutions, Agencies  
Commonwealth of Virginia

FROM: Ron Bell  
Director

SUBJECT: Procurement Information Memoranda (PIM) #98-013

Enclosed is PIM #98-013 representing changes to the September 1998 edition of the *Agency Procurement and Surplus Property Manual (APSPM)*. The changes are noted in the table below. All changes to the *APSPM*, including PIM 98-013, are incorporated into a web-based *APSPM*, which is downloadable from the eVA and Division of Purchases and Supply web sites at [www.eva.state.va.us](http://www.eva.state.va.us) and [www.dgs.state.va.us/dps](http://www.dgs.state.va.us/dps), respectively. The location of text changes is indicated by an arrow in the margin ( — ) with the corresponding PIM number identified next to the changes.

The Virginia Information Technologies Agency (VITA) has the authority, granted by the *Code of Virginia*, § 2.2-2007, for the purchase of information technology goods and services. References made to the Department of Information Technology (DIT) or the Department of Technology Planning (DTP) contained within the *APSPM* or *Vendors Manual* are no longer valid, effective 7/1/03.

There have been several changes to the Commonwealth of Virginia *Vendors Manual*, dated December 1998. The changes have been incorporated into a web-based *Vendors Manual* and are posted on the DGS/DPS web site at [www.dgs.state.va.us/dps](http://www.dgs.state.va.us/dps). The web site also identifies the changes made and the effective dates of those changes in a separate Word document.

Appendix C contains a log in which to list the PIM number and date of revision. This letter and the corresponding PIM #98-013 should be filed in the back of the Appendix C log.

Section	Summary of Changes
Introduction	Reference made throughout the <i>APSPM</i> to the Department of Information Technology (DIT) or the Department of Technology Planning (DTP) are no longer valid, effective 7/1/03. Agencies and institutions should follow the guidance issued for information technology procurements by the Virginia Information Technologies Agency (VITA).
1.2 e. (2)	The agency head must approve all sole source procurements; this authority cannot be delegated.

Annex 1-A	Change \$50,000 to \$30,000 in the last paragraph of Annex 1-A, on <i>VIRGINIA BUSINESS OPPORTUNITIES (VBO) ADVERTISING</i> .
2.1	Agencies and institutions shall place orders through eVA for mandatory and optional use term contracts.
2.1 b.	Section 2.1b on VCE products and services is replaced in its entirety.
2.1c & 2.1c(1)	Section 2.1c and 2.1c(1) on DBVI products and services is replaced.
3.5 & 3.5 a.	Change orders are required to be prepared when the approved change or changes exceed a cumulative of \$500.
3.7	Section 3.7 is rewritten to allow Additional Users to be added to existing contracts.
3.10 c.	Section 3.10 is renamed to include Small businesses. Section 3.10 c. is revised to include new solicitation requirements for small, women, and minority businesses to be consistent with the Governor's Chief of Staff memo and Minority Supplier Diversity Plan dated August 13, 2002.
3.12	The existing paragraph of the Nondiscrimination clause is re-numbered as a. and a new section b. is added to address nondiscrimination of ex-offenders to implement § 2.2-4310 C.
3.14	Delete the reference to Section 40 & CFR in the Recycled Paper and Paper Products Preference section. It is no longer valid.
3.26	A new section on Prohibited Contracts is added as a result of § 2.2-4321.1.
Annex 3-B	Revised to show new solicitation requirements for small, women, and minority businesses to be consistent with the Governor's Chief of Staff memo and Minority Supplier Model Program dated August 13, 2002.
4.2	The expected trade-in value of equipment should not be considered when determining the anticipated value of a contract.
4.22 d. (2)	As required by <i>Code of Virginia</i> , § 4-5.04 c, Use Of Consulting Services: All state agencies and institutions of higher education shall make a determination of "return on investment" as part of the criteria for awarding contracts for consulting services.
5.1 a. & b.	The number of sources to solicit for quotes over \$5,000 to \$15,000 is six (6) valid sources including a minimum of four (4) SWAM businesses. Over \$15,000 to \$50,000 is modified to eight (8) valid sources, including a minimum of six (6) SWAM businesses. Add as last sentence in 5.1 b.: The expected trade-in value of equipment should not be considered when determining the anticipated value of a contract.
5.4	Delete the last sentence of 5.4; not applicable.
5.5 a. & c.	Section 5.5 is re-titled Six Solicitations. The number of sources to solicit for quotes over \$5,000 to \$15,000 is six (6) valid sources including a minimum of four (4) SWAM businesses.
5.6 b.	The number of sources to solicit for unsealed bids over \$15,000 to \$50,000 is modified to eight (8) valid sources, including a minimum of six (6) SWAM businesses.
5.7 b.	The number of sources to solicit for unsealed proposals over \$15,000 to \$50,000 is modified to eight (8) valid sources, including a minimum of six (6) SWAM businesses.
Annex 5-A	The flow chart is modified to show six sources to solicit for purchases over \$5,000 to \$15,000.
Annex 5-D	The flow chart is renamed Six Quotation Process and is modified to show six sources to solicit for purchases over \$5,000 to \$15,000.
Annex 5-E	The flow chart is modified to show eight sources to solicit for unsealed bids.

Annex 5-F	The flow chart is modified to show eight sources to solicit for unsealed proposals and modify wording under Negotiation to show that the buyer may select the offeror(s) with whom to negotiate.
Annex 5-I	Fax back form is modified to include a compliance statement to be signed by the bidder or offeror.
6.2 e.	The number of sources to solicit for sealed bids is changed to nine (9) sources including a minimum of seven (7) SWAM businesses.
Annex 6-A	The flow chart is modified to show the number of sources to solicit for sealed bids is changed to nine (9) sources including a minimum of seven (7) SWAM businesses.
Annex 6-B, Step 4, B.	The sample RFP, Step 4, B. deletes the number of sources to solicit and refers user to 2.3 and 3.10.
Annex 6-D	The first page of the solicitation and file checklist, under Bidders List, is modified to show the increase in the number of bidders to solicit for sealed bids.
7.2 g.	The number of sources to solicit for sealed proposals is changed to nine (9) sources including a minimum of seven (7) SWAM businesses.
Annex 7-A	The flow chart is modified to show the number of sources to solicit for sealed proposals is changed to nine (9) sources including a minimum of seven (7) SWAM businesses.
Annex 7-B, Step 3, II.	The sample RFP, Step 3, II. deletes the number of sources to solicit and refers user to 3.10.
Annex 7-B Step 2, IV. 4. A. 2. (d)	Step 2, IV, 4. A. 2 (d) has been inserted providing suggested language to inform offerors of the meanings of the words “must,” “shall,” “should,” and “may” in the context of the RFP. Previous items d, and e, are re-identified as e, and f.
Annex 7-E	The first page of the solicitation and file checklist, under Offerors List, is modified to show the increase in the number of offerors to solicit for sealed proposals.
8.1	The agency head is delegated increased authority to approve non-technology sole source procurements for goods and services to \$50,000 prior to commencement of the actual procurement.
8.2	Sole source procurements for non-technology goods and services over \$50,000 shall be submitted to DGS/DPS for approval prior to commencement of the actual procurement. Agencies and institutions must follow the guidance provided by VITA for sole source technology procurements and as otherwise directed by the Governor’s Chief of Staff.
Annex 8-A	The flow chart is modified to show approval threshold limits for sole source procurements.
Annex 8-B	The sole source checklist and sole source procurement instructions are revised based upon approval threshold limits.
Annex 8-C	The sole source approval form for non-technology goods and services is revised.
10.12	Modification of contracts and purchase orders explains when a modification or change order must be done and refers the reader to the policy contained in 3.5.
Annex 13-D	The Procurement Exemption Request form updates the title of the DPS approver to Deputy Director.
14.0	The Procurement Exemption Request form updates the DPS Director or designee as authorized approver.
14.5	This section is corrected to show that Quick Quote may be used for small dollar requirements up to \$30,000 and removes the words “at least” in the next sentence.
14.5 b.	e-Mall Search Responses (over \$5,000 to \$15,000) is changed increasing the number of sources to solicit to six (6) valid sources including four (4) SWAM businesses, if available.

14.5 c.	e-Mall Search Responses (over \$15,000 to \$30,000) is changed increasing the number of sources to solicit to eight (8) valid sources, including six (6) SWAM businesses, if available.
14.5 e.	The first sentence is changed for Quick Quotes (over \$5,000 to \$15,000) increasing the number of sources to solicit to six valid sources, including four (4) SWAM businesses, if available.
14.5 f.	Quick Quote (over \$15,000 to \$30,000) is changed increasing the number of sources to solicit to eight (8) valid sources, including six (6) SWAM businesses, if available.
14.6	New guidance on change orders is provided. Change orders must be issued whenever a supplier may request it or as may be required by internal policy when the actual invoiced amount is less than the PO total.
14.8 a.	Changes the \$10,000 reference to sole source requirements to \$50,000.
14.9 a.	14.9 a. is re-titled and includes information on the Use of eVA.
14.9 b.	14.9 b. is re-titled Exclusions. It includes 21 procurement types that are excluded from being processed through eVA.
14.10 a. & b.	14.10 on a. Vendor Registration and b. Trading Partner Agreement (TPA) and Electronic Catalogs is re-written. A TPA is required whenever a vendor's catalog or index page is loaded into the eMall.
Appendix A	Definitions have been added or modified for Affiliate, Business, Minority-Owned Business, Must/Shall, Shall/Must; Should/May, SWAM, Women-owned Business.
Appendix B, Section I, T.	The Insurance General Term and Condition is revised to show the increased Health Care Practitioner limit effective 7/1/03. When Used guidance adds that Insurance is generally not required for goods purchases unless installation is required.
Appendix B, Section I, W.	The Nondiscrimination of Contractors General Term and Condition is rewritten to include nondiscrimination of ex-offenders.
Appendix B, Section I, X.	The eVA Business-to-Government Vendor Registration General Term is revised to reinstate the 1% vendor transaction fee, capped at \$500, for orders issued through eVA.
Appendix B, Section II, 5.	The Authorized Users clause has been eliminated and replaced with an Additional Users clause which permits users to be added to existing contacts by the lead agency providing written Addendum to the contract.
Appendix B, Section II, 46.	The headings under the Printing Definitions are corrected for Class 2, 3, and 4.
Appendix B, Section II. 59 b.	Paragraph b. and the When Used guidance for Special Term #59 on eVA Business-To-Government Contracts is changed. A TPA is required of contractors who have a catalog or an index page loaded into the eVA eMall.
Index	Added: Additional Users, Affiliate, Business, Digital Works, Electronic Catalogs, Electronic Procurement, e-Mall Shopping, Exclusions, Minority-Owned Business, Must/Shall, Nondiscrimination of Contractors, Shall/Must; Should/May, Small, Women, & Minority-Owned Businesses, SWAM, Prohibited Contracts, Quick Quote, Six Quotes, Trade-In, Trading Partner Agreement, Use of eVA, Vendor Registration Requirement, Women-owned Business, Deleted: Authorized Users.

If you should have questions about the changes, please contact Nancy M. Davis at 804-786-0323 or [ndavis@dgs.state.va.us](mailto:ndavis@dgs.state.va.us).

## INTRODUCTION

As indicated in the Preface, the *APSPM* has been significantly reformatted. Regulatory issues have been distinguished from policies and procedures. Violation of rules and regulations may be handled in an administrative manner under the provision of *Code of Virginia*, § 2.2-1115. Violations of policies and procedures contained in this manual will be handled in accordance with *Code of Virginia*, § 2.2-1120.

For the purposes of this manual, the basic distinction between “regulatory” requirements and “policies and procedures” is that the regulatory requirements have their basis in the *Code of Virginia*.

Policies and procedures are administrative implementation intended to inject consistency and clarity in understanding and applying the regulatory requirements. In addition, they represent what is widely viewed in the purchasing profession as the application of sound, generally accepted good purchasing practices.

Every effort has been made to identify regulatory requirements. Users will note in the text of each chapter, references are made to appropriate sections of the *Code of Virginia*. In addition, to assist in identifying and distinguishing regulatory requirements from administrative requirements, i.e., policies and procedures, a new column, entitled “*Code of Virginia*” has been added in the index. Any subject which appears in the code column is considered regulatory in nature. **Text references may represent synopses or abbreviated portions of the applicable code. Precise language should be obtained by referring to the applicable portion of the *Code of Virginia*.**

Each chapter contains annexes. In most cases, the annexes consist of checklists, flowcharts, forms, formats and other types of suggested guidance for users. Throughout the chapters and annexes, every effort has been made to reduce the mandatory requirements, which are usually indicated by the words “shall”, “must”, “will”, etc., to permit user option and flexibility by use of words such as “may”, “should” and “recommended”. Care has been taken to carefully draw the appropriate distinctions.

Your assistance is sought wherever clarification or corrections may be in order. They are certainly appreciated and, if appropriate, will be promptly announced through issuance of the DPS Director’s Procurement Information Memorandums (PIMs).

The Virginia Information Technologies Agency (VITA) has the authority granted under § 2.2-2007 of the *Code of Virginia*, for the purchase of information technology goods and services. References made to the Department of Information Technology (DIT) or the Department of Technology Planning (DTP) are no longer valid, effective 7/1/03. Agencies and institutions must follow the guidance issued by VITA for information technology procurements.

- 1.2 e (2) **Designated signature authority is required for the following documents:** purchase requisitions submitted to DGS/DPS, agency purchase orders, contracts, *VBO* waiver, multi-colored printing, waiver of a prebid or preproposal conference, contract modification, and written determinations to support the use of emergency and competitive negotiation procedures. **The agency head must approve all sole source procurements; this authority cannot be delegated.**

#### **Annex 1 -A, Agency Standards for Increased Delegated Procurement Authority**

***VIRGINIA BUSINESS OPPORTUNITIES (VBO) ADVERTISING.*** An agency must advertise all procurements that exceed **\$30,000** (goods, services, or construction) in the *VBO on the eVA web site* ([www.eva.state.va.us](http://www.eva.state.va.us)).

#### **2.1 Mandatory Sources.**

- a. **Term Contracts.** To obtain more favorable prices through volume purchasing and to reduce lead-time and administrative cost and effort, DGS/DPS and other agencies/institutions within their delegated authority, may establish mandatory use term contracts for goods or services. Written notices of contract awards are issued notifying participants (agencies or institutions or organizational elements within) of the existence of such contracts. In accordance with the terms and conditions, purchase orders **shall** be issued in any amount for any goods or service on a term contract available to that participant. **Agencies and institutions shall place all orders through eVA on mandatory use contracts, optional use contracts, and pricing agreements to the fullest extent possible.** If an item is available on such a contract, participants may not use their local purchasing authority to purchase from another source unless the purchase is exempt by contract terms such as not meeting the contract's minimum order requirement. Vendors who intentionally sell or attempt to sell goods or services to an authorized participant who is under contract with another vendor may result in suspension and/or debarment by DGS/DPS. The purchase by agency personnel of goods or services that are on DGS/DPS contracts from non-contract sources may result in reduction or withdrawal of that agency's delegated purchasing authority by DGS/DPS (see 13.7). An exception from a mandatory state contract may be granted by the DGS/DPS contract officer responsible for the contract. The Procurement Exemption Request form located in Annex 13-D should be used to request an exception. **Approved exemption requests must be attached to the purchase transaction file either electronically or by hard copy.**

Term contracts are for the benefit of the Commonwealth of Virginia, its agencies and institutions. They do not apply to State employees or other individuals, and ordering from state contracts or individual state agency/institution contracts by individuals directly or by using agency orders with subsequent reimbursement to the agency is prohibited.

- b. **Virginia Correctional Enterprises (VCE).** Goods and services produced or manufactured by state correctional facilities shall be purchased by all departments, institutions, and agencies of the Commonwealth, which are supported in whole or in part with state funds. VCE products may also be purchased by any county, district of any county, city or town and by any nonprofit organization, including volunteer lifesaving or first aid crews, rescue squads, fire departments, sheltered workshops and community service organizations. Products include, but are not limited to, Wood and Metal Case goods, Seating, Office Systems, Shoes, Clothing, Embroidery, Silk Screening, Vinyl Binders, Pad holders, Sign, Microfilming and Data Storage, Optical, Plastic Bags, Dentures, Laundry, Wooden Pallets, Warehousing, License Tags, Janitorial Products, and VCE Digital Works (\*Corprint). Special or unique products or services requiring extensive production runs in volume are available.

Agencies may submit agency purchase orders directly to VCE through eVA. If an agency has a critical need, they should contact the VCE Customer Service Department by telephone (804) 743-4100 or VCE Digital Works (Corprint) at (804) 225-3574 to discuss product availability and delivery. Additional information concerning goods and services available from VCE is contained in the Virginia Correctional Enterprises catalog.

The following goods and services are available through VCE for purchases by state agencies, institutions, municipalities and local governments, and Not-for-Profit organizations:

1. **VCE Digital Works (Corprint):** Services include black and white and laser color copying, single color to four-color printing, bindery and finishing services. Maximum print area is 12" X 109", prints 600 dpi and 170 lpi with offset quality rosette. Printing also includes flat forms; NCR-type forms up to five-part (not

snap-apart or continuous); padded forms; envelopes (regular and window) including long Kraft envelopes; color booklets up to 9" X 12"; and color brochures with no more than two folds. Desk-top publishing software supported includes: QuarkXPress, Adobe PageMaker, Adobe Illustrator, Adobe Photoshop Macromedia Freehand, CorelDraw. Images should be saved in CMYK format, not RGB or indexed color. Scanned image resolution need not exceed 300 dpi. Grayscale images should have a tonal range from 5% to 90% open mid-tones slightly. Perform all image manipulation in Photoshop, not in the layout program. Convert Duotones to CMYK before final placement. Do not save images in PICT format. Convert DSC files to TIFF format.

Convenient pick up and delivery services are available upon request. Document files storage for future access, update, re-purposing and reprinting is also available. Customers are able to submit jobs via the web, eVA, e-mail or deliver in person at the VCE Downtown Digital Print Shop located in the John Tyler Building, 1300 East Main Street, Richmond VA.

2. **Wood and Metal Case Goods:** Total offering of Office, Lounge, Dormitory, and Occasional Furniture. This includes but is not limited to: desks, credenzas, bookcases, bridges, hutches, lateral files, storage cabinets, shelving, filing cabinets, beds, sofas, loveseats, chairs, stools, and table. Custom metal and wood products are available.
3. **Seating:** A comprehensive offering of office, conference room, reception area, dormitory, lounge, and laboratory seating.
4. **Office Systems:** VCE offers a broad spectrum of component office systems including, panels, work surfaces, filing systems, table, cable management, and keyboard trays.
5. **Shoes:** All-purpose 6" and 10" top work boots made of full and corrected grain leather, Goodyear welt with cushioned insole, rubber heels.
6. **Clothing and Textiles:** A wide selection of clothing items which includes, but is not limited to shirts, pants, jackets, coats hospital scrubs, lab coats, blankets, sheets, pillowcases, laundry bags, full dress uniforms, food-service clothing, health-care provider clothing.
7. **Embroidery:** VCE provides all services needed to embroider logos or special graphics to any piece of apparel or textiles.
8. **Silk Screening:** Full service silkscreen and/or foil stamping services.
9. **Vinyl Binders, Pad Holders and Sign Products:** Full range of three ring binders, pad holders, plastic signs and decals.
10. **Microfilming and Data Storage:** Full service microfilming which includes document preparation, photography, developing, duplicating, and film delivery. Data conversion from hard copy to microfilm and DVD formatted disks.
11. **Optical:** VCE's prescription eyewear is a full service lab. The product offering includes single vision, bi-focal, and tri-focal lenses, tinting, and a large number of frames.
12. **License Tags:** State and municipal license plates are quoted on an individual design and quantity basis.
13. **Dentures:** From full dentures to simple mouth guards. VEC dental prosthetics are made to the most exacting standards. Services include: soft mouth guards, relines of upper and lower, acrylic splints, space maintainers, surgical trays, surgical splints and hard mouth guards.
14. **Laundry Services:** Laundry services may include par cart packing, pick-up and delivery, assistance with linen inventory control, water conservation. Each laundry customer has unique requirements; contact VCE for a quotation on the service required.
15. **Pallets manufacture and Repair:** Wooden shipping pallets.
16. **Warehousing:** Contact VCE for dry storage services.



17. **\*Plastic Bags:** VCE manufactures a wide variety of plastic bags of various widths and lengths. Specialized bags are available in bulk directly from VCE.

18. **\*Janitorial Products:** See the VCE digital catalog or web site for details.

\* Order through the VCE. See 2.1e.

**Written Concurrences:** Concurrences may be granted by VCE if they do not offer the desired products, do not offer a compatible product, or are unable to meet a reasonable required delivery date. Written concurrences may be given by facsimile transmission if the agency requests. Requests for concurrences are normally processed within 24 hours. When concurrences are granted, the resulting procurement, if it is within the agency's delegated authority, may be made directly by the agency using the appropriate procurement method. If it exceeds the delegated authority, it shall be forwarded to the appropriate purchasing office (e.g., DGS/DPS).

**Waivers:** The Director of DGS/DPS may exempt purchasing from VCE when, in the Director's opinion, an article produced or manufactured does not meet the reasonable requirements of the agency. A written concurrence will normally be requested from VCE under these circumstances. In any case, where the Director of DGS/DPS grants an exception, the Director shall submit a copy of the written justification for the exception to the Director of the Department of Corrections.

**Intentional Violations:** Intentional violations of the requirement to purchase from VCE, after notice from the Governor to desist, shall constitute malfeasance in office and shall subject those responsible for such violations to suspension or removal from office (*Code of Virginia*, § 53.1-47, 53.1-48, 53.1-49, and 53.1-51).

**VCE Joint Ventures:** VCE enters into joint ventures with private sector firms as partners in the sale, distribution, service, and development of products manufactured by VCE.

**Prison Industry Enhancement:** VCE enters into agreements with public or private sector firms as partners in the sale, distribution, service, development and production of products that may be sold in interstate trade. Prison Industry Enhancement (PIE) is a federally chartered and administrated program. Inmate labor must be paid minimum or prevailing wage from which deductions for victims' restitution, family support, taxes, etc. must be made.

c. **Department for the Blind and Vision Impaired (DBVI).** Department for the Blind and Vision Impaired (DBVI). The DBVI Enterprise Division is composed of two enterprises, both of which are mandatory sources of supply unless exempted by DGS/DPS or DBVI Enterprises Managers. All such services, articles, and commodities as are required for purchase by DGS/DPS or by any person authorized to make purchases on behalf of the Commonwealth and their departments, agencies and institutions; are performed or produced by persons, or in schools or business activities under the supervision of the DBVI; are available for sale by the DBVI; and, conform to the standards established by DGS/DPS shall be purchased from the DBVI at a fair market price without competitive procurement.

(1) Virginia Industries for the Blind (VIB). VIB provides employment opportunities for individuals who are blind or visually impaired by employing them in a variety of service and manufacturing occupations, providing services and producing quality products at competitive prices. The following goods and services are among those available through VIB for purchase by state agencies, municipalities and institutions:

(a) Contract Office Services - Administrative Support Personnel, Clerical, Secretarial, Order Takers, Customer Service Representatives, etc.

(b) Mailing Services - Inserting, addressing, sorting, order fulfillment - express delivery or postal

(c) Pillows

(d) Mattresses - Innerspring, Cellular Foam, Cotton Felt, Silicone Foam, cots

(e) Writing Instruments

(f) \* Mop Heads and Handles



(g) \* Spices, Tea

(h) Gloves, Exam non-sterile medical grade - Latex, Vinyl, Nitrile, High Risk EMS

\* Order through the Virginia Distribution Center (VDC). See 2.1e

For information or questions, contact VIB Marketing in Charlottesville at 434-295-5168. Represented on the web at [www.dbvi.org/vib/](http://www.dbvi.org/vib/).

3.5 **Contract/Purchase Order Modification Restrictions.** A contract or purchase order may not be modified or renewed unless provided for in the original contract or solicitation. No additional consideration or increase in contract price may be paid to the contractor because of renewal unless specifically authorized under the original contract. The issuance of a change order or contract modification is required when the purchasing office has issued an agency purchase order or contract or eVA order and the approved change exceeds \$500. This limitation applies to cumulative change orders in a contract or purchase order. The DPS Purchase Order Change (Annex 10-E), Agency Purchase Order Change (Annex 10-F), and Contract Modification Agreement (Annex 10-G), are the recommended forms to be used for all modifications to contracts and purchase orders awarded outside of eVA. Use the eVA Change Order functionality to make changes to orders issued in eVA (see 14.6).

- a. Purchases Up to \$50,000 - Cumulative contract modifications to purchases made under small purchase procedures shall not exceed 25% of the original contract price without advance written approval of the agency head or his/her designee (see also *Vendors Manual*, 7.17 for exception).

3.7 **Cooperative Procurement.** The *Code of Virginia*, § 2.2-4304 authorizes public bodies to utilize cooperative procurement to satisfy requirements for goods and non-professional services; however, state agencies and institutions must comply with the following requirements, and all such purchases shall be made through eVA.

Agencies and institutions desiring to participate in a cooperative procurement arrangement as set forth in §2.2-4304 may do so without regard to their delegated purchasing authority; however, no state agency or institution may sponsor, conduct or administer a cooperative procurement arrangement when the total value of the contract is expected to exceed their delegated purchasing authority without advance approval from the Director of the Division of Purchases and Supply. Additional agencies and institutions not specifically named in the solicitation desiring to purchase from another public body's contract may do so if the original solicitation specified that the procurement was being conducted on behalf of other public bodies and the issuing public body modifies the contract in writing with concurrence from the contractor to add the specific agency or institution. An agency or institution initiating a procurement and desiring to allow its use by other public bodies must include the ADDITIONAL USERS clause found at Appendix B, Section II, and shall serve as the lead agency (contracts manager) and shall administer the program in accordance with Chapter 10 of this manual. Vendor complaints and disputes will be managed by the ordering entity, but the lead agency should be provided copies of any such complaints or disputes.

3.10 **Small, Women-Owned & Minority Businesses.**

- c. All employees with purchasing responsibility who are involved in procurement decisions for goods and services are expected to notify and give every consideration to using qualified, small, women-owned and minority (SWAM) suppliers in a manner that is consistent with state and federal laws and regulations. Whenever the agency or institution engages in a solicitation, it will include enterprises selected from the list of certified minority business enterprises (MBE) maintained on the Department of Minority Business Enterprise's (DMBE) web site, [www.dmbe.state.va.us](http://www.dmbe.state.va.us). Where there is adequate registration in the commodity:
  - (1) Solicitations over \$5,000 to \$15,000, solicit 6 sources, including a minimum of four (4) SWAM businesses.
  - (2) Solicitations over \$15,000 to \$50,000, solicit 8 sources, including a minimum of six (6) SWAM businesses.
  - (3) Solicitations over \$50,000, solicit 9 sources, including a minimum of seven (7) SWAM business.
  - (4) Solicitations for construction, goods and services of \$100,000 or more, include a requirement that bidders or offerors include, as part of their proposal, strategies to ensure SWAMs are given every consideration to be included in their subcontracting plans. See Appendix B, Section II, for sample clause.

- a. If applicable, subcontract plans must include:
  - A listing of all SWAM-owned business subcontractors
  - The dollar value of each subcontract
  - A description of the type of work to be performed under each subcontract
  - A telephone number and contact name for each subcontractor
- b. Solicitations and resulting contracts will contain language requiring the successful bidder or offeror to report actual SWAM-owned business subcontract results on a quarterly basis.

If adequate registration in the commodity required is not available, document the procurement file with the efforts made to include the appropriate number of SWAM businesses. Solicitation of SWAM-owned businesses should not be construed as authorizing or directing the exclusion of non-SWAM-owned businesses; rather, the purpose is to include as many qualified businesses as possible.

- 3.12 b. In the solicitation or awarding of contracts, no state agency, department or institution shall discriminate against a bidder or offeror because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest (Code of Virginia, § 2.2-4310.C).

Whenever a state agency, department or institution is issuing a solicitation and has determined in writing that it is not in its best interest for a bidder or offeror to employ ex-offenders on the specific contract, the state agency, department or institution shall state these restrictions in the solicitation. These restrictions, as determined by the state agency, department or institution must be reasonable.

- 3.14 c. **Recycled Paper and Paper Products Preference.** In determining the award of any contract for paper and paper products to be purchased for use by agencies of the Commonwealth, DGS/DPS, or agencies under their delegated purchasing authority, shall procure using competitive sealed bidding and shall award to the lowest responsible bidder offering recycled paper and paper products of a quality suitable for the purpose intended, so long as the bid price is not more than 10% greater than the bid price of the low responsive and responsible bidder offering a product that does not meet the EPA Recommended Content Standards. (*Code of Virginia*, § 2.2-4326; see also 3.24b).

### 3.26 Prohibited contracts

- A. No state agency shall contract for goods or services with a nongovernmental source if the source, or any affiliate of the source, is subject to the provisions of § 58.1-612 and fails or refuses to collect and remit the tax on its sales delivered by any means to locations within the Commonwealth. For the purposes of this section, "state agency" means any authority, board, department, instrumentality, institution, agency or other unit of state government. State agency shall not include any public institution of higher education or any county, city or town or any local or regional governmental authority.
- B. A state agency may contract for goods or services with a source prohibited under subsection A in the event of an emergency or where the nongovernmental source is the sole source of such goods or services.
- C. The determination of whether a source is a prohibited source shall be made by the Department of Taxation after providing the prohibited source with notice and an opportunity to respond to the proposed determination. The Department of Taxation shall notify the Department of General Services of its determination.
- D. The Department of General Services shall post public notice of all prohibited sources on its public internet procurement website and on other appropriate websites.
- E. The remedies provided in Article 5 (§ 2.2-4357 et seq.) shall not apply to any determination made pursuant to this section and the sole remedy for any adverse determination shall be as provided in subsection F.
- F. Any source aggrieved by a determination of the Department of Taxation made under this section may apply to the Tax Commissioner for correction of the determination. The Tax Commissioner shall respond within 30 days of receipt of the application for corrective action. Within 10 days after receipt of the Tax Commissioner's response, the aggrieved source may appeal to the Circuit Court for the City of Richmond. If it is determined that the determination of the Department of Taxation was arbitrary, capricious, or not in accordance with law, the sole relief shall be restoration of the source's eligibility to contract with state agencies. No claim for damages or attorney's fees shall be awarded.

**Annex 3-B****Summary of Procurement Policies****I. Small Purchases - Goods and Services, other than Professional Services**

Thresholds	Procedures
Up to \$5,000	One documented quote required. (Use of the Small Purchase Charge Card is encouraged up to \$5,000.)
Over \$5,000 to \$15,000	<b>Solicit a minimum of six (6) valid sources, including four (4) SWAM businesses, if available (by telephone, in writing or electronically).</b>
Over \$15,000 to \$50,000	<b>Solicit a minimum of eight (8) valid sources, including six (6) SWAM businesses, if available</b> (by facsimile with written description furnished by agency/institution, unsealed written IFB/RFP or use Quick Quote up to \$30,000).  Advertising in the <i>Virginia Business Opportunities (VBO)</i> on the eVA web site ( <a href="http://www.eva.state.va.us">www.eva.state.va.us</a> ) is required over \$30,000 for goods and services.

**II. Competitive Sealed Bidding or Competitive Negotiation (Code of Virginia, § 2.2-4301 and §2.2-4303)**

Threshold	Procedures
Over \$50,000; may be used for lesser amounts.	Solicit a minimum of <b>nine (9)</b> valid sources, <b>including (7) SWAM businesses, if available</b> , in writing, including electronically through eVA. Use one of the following methods: 1 - Competitive sealed bidding. 2 - Two-step competitive sealed bidding. 3 - Competitive negotiation. A written justification is required for use of #3. Required for purchases over \$50,000 unless an exception (see III. below).

**III. Exceptions To Competitive Procurement (Code of Virginia, § 2.2-4303 E and F)**

Thresholds	Procedures
Emergency (See Chapter 9)	Take immediate action if required to protect personal safety or property. Other emergencies, seek competition to the extent practicable. Requires written determination signed by the agency/institution head or designee.
Sole Source (Unlimited dollar amounts) (See Chapter 8)	Obtain and document a quote up to \$15,000. Over \$15,000, a written quotation must be obtained from the vendor. Requires written justification approved in advance by the agency/institution head. Over <b>\$50,000</b> requires approval from DGS/DPS. Agencies and institutions may make contract awards after appropriate approval. Purchase using noncompetitive negotiation.
Used Equipment up to \$50,000	Competition not required. See 1.5c & 4.17.

**IV. Exemption from Purchasing through DGS/DPS**

Thresholds	Procedures
Various	See 1.5.

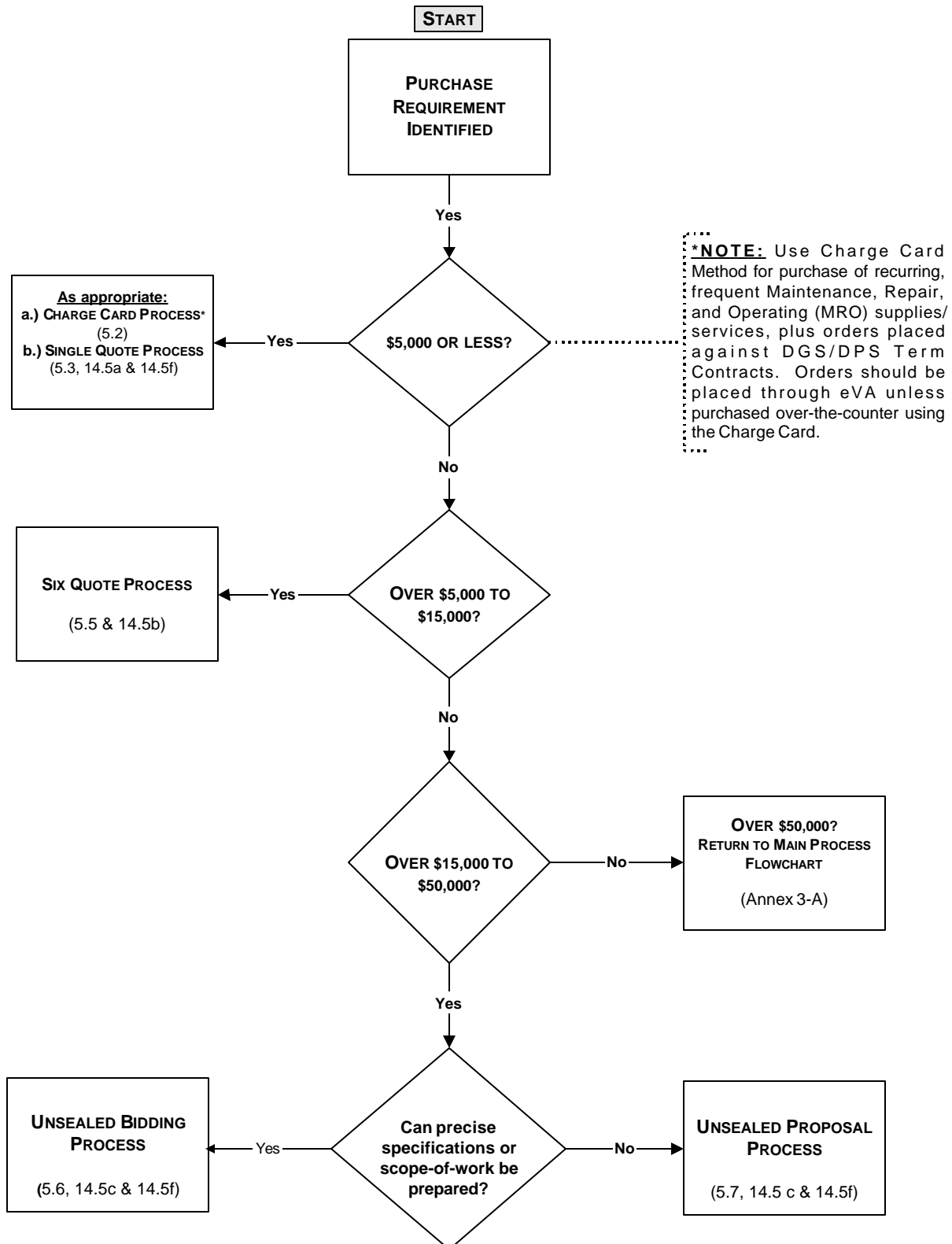
**Note:** Public posting required for all solicitation and award actions exceeding \$30,000 (see 3.18).

- 4.2 **Selection of Procurement Method** It is important to select the proper procurement method. The estimated or anticipated value of the contract must be determined first, unless the purchase is an emergency (for emergencies, see Chapter 9). The anticipated value of the contract includes the dollar value for the initial period of the contract, and includes all possible renewal periods. **The expected trade-in value of equipment should not be considered when determining the anticipated value of a contract.** When determining the total value of a contract, include all cost elements such as travel related expenses (e.g., travel, lodging, and meals) and direct bill expenses (e.g., copying costs, postage, shipping and handling costs, long distance charges). If purchases under \$50,000 are required, then the small purchase procedures in Chapter 5 shall be used. If over \$50,000, a decision should be made whether to use competitive sealed bidding or competitive negotiation. For competitive sealed bidding see Chapter 6. For competitive negotiation see Chapter 7. For purchases where there is only one source practicably available, see Chapter 8.
- 4.22d (2) **Agency Head Responsibility.** Agency heads are responsible for assuring that the use and control of the services of private consultants is properly justified in terms of agency mission, programs, priorities, and funding. **As required by Code of Virginia, §4-5.04c, Use Of Consulting Services: All state agencies and institutions of higher education shall make a determination of “return on investment” as part of the criteria for awarding contracts for consulting service.**
- 5.1 **Competitive Requirements.**
- a. **Verbal.** Purchases of goods or services between the single quote limit, over \$5,000 to \$15,000, requires soliciting at least **six (6) valid sources, including a minimum of four (4) SWAM businesses, if available.**
- b. **Written.** Purchases over \$15,000 and up to the small purchase dollar threshold of \$50,000 require soliciting at least **eight (8) valid sources, including a minimum of six (6) SWAM businesses, if available, in writing** (see 3.18, Publicly Posted Notices). Estimate costs, including all possible renewal periods for service or term contracts, to determine the proper method of procurement. **The expected trade-in value of equipment should not be considered when determining the anticipated value of a contract. If fewer than the required number of sources are solicited, the reasons shall be documented.**
- 5.4 **Oral Quotes.** Oral quotes in lieu of written bids may be obtained for goods and services estimated to be \$15,000 or less. **To avoid allegations of collusive or other related fraudulent practices, a record must be kept of the oral quote.**
- 5.5 **Six Quotations.** (Over \$5,000 to \$15,000)
- a. All agencies may make purchases where the estimated cost for goods or services is over \$5,000 to \$15,000 by soliciting **six (6) valid sources, including a minimum of four (4) SWAM businesses, if available,** for quotations (see flowchart, Annex 5-D).
- c. The purchase of certain goods and services where the scope of work and conditions are too complex to be communicated by telephone may require a written description of the requirement to be mailed or faxed to or given to them, should they be required to visit the work site. If fewer than the required number of sources are solicited, the reasons shall be documented. See Annex 5-I for Faxback Price Quote form. If developing an unsealed written solicitation under \$15,000, solicit **six (6) valid sources, including a minimum of four (4) SWAM businesses, if available, and then** the guidance for unsealed solicitations over \$15,000 to \$50,000 should be followed (see 5.6 or 5.7).
- 5.6 **Unsealed Bidding.** (Over \$15,000 to \$50,000)
- b. Solicit **eight (8) valid sources, including a minimum of six (6) SWAM businesses, if available,** by mail, fax, or electronically, and publicly post a copy of the solicitation [see 3.10c(2)] over \$30,000 on the DGS/DPS eVA web site.
- 5.7 **Unsealed Proposals.** (Over \$15,000 to \$50,000)
- b. Solicit **eight (8) valid sources, including a minimum of six (6) SWAM businesses, if available,** by mail, fax, or electronically, and publicly post a copy of the solicitation [see 3.10c(2)] over \$30,000 on the DGS/DPS eVA web site.

Annex 5 -A

**SMALL PURCHASE PROCEDURES (CODE OF VA § 2.2-4303G)**

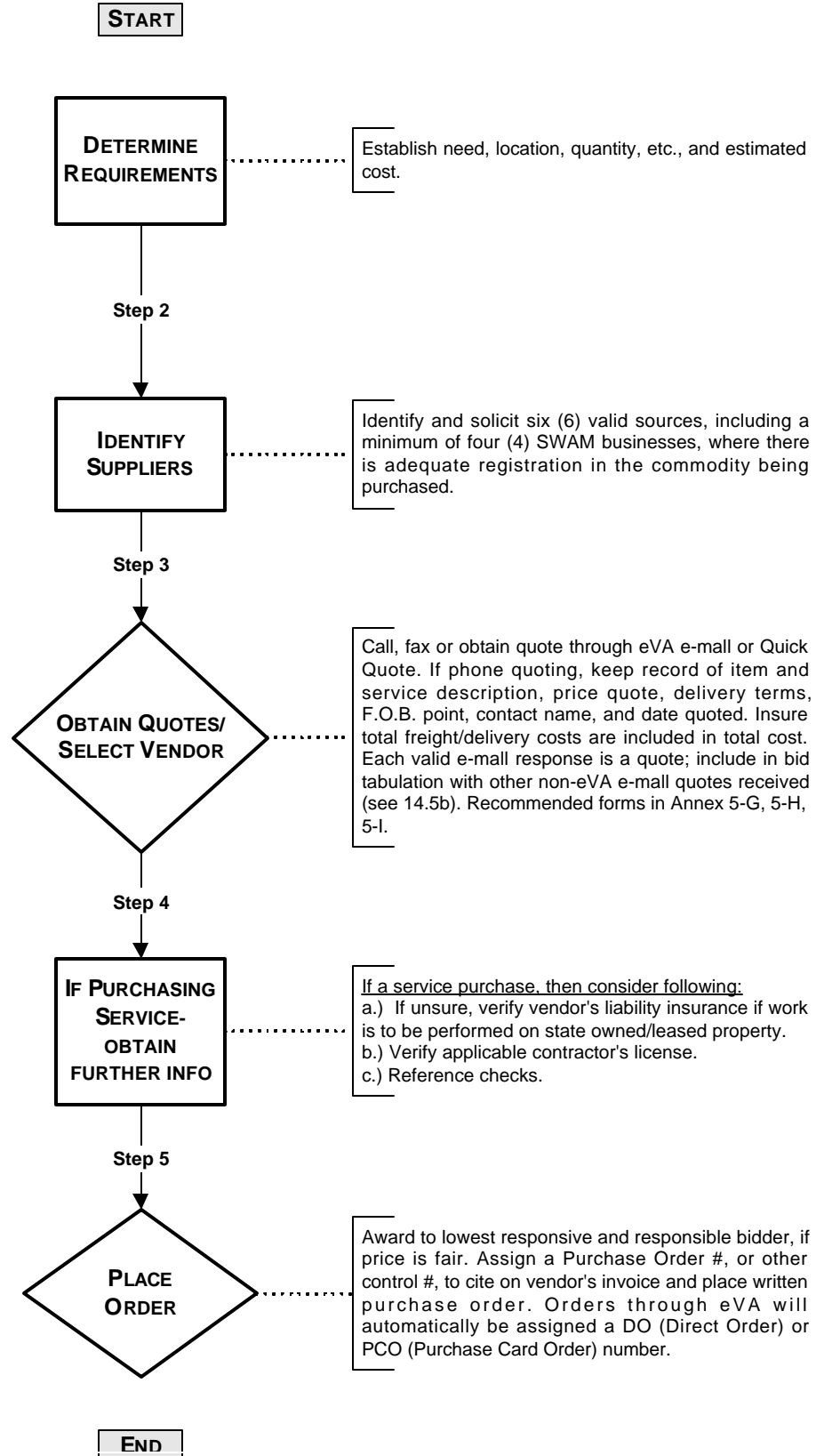
Small Purchase Process (up to \$50,000)



## Annex 5-D

**SIX QUOTATION PROCESS**

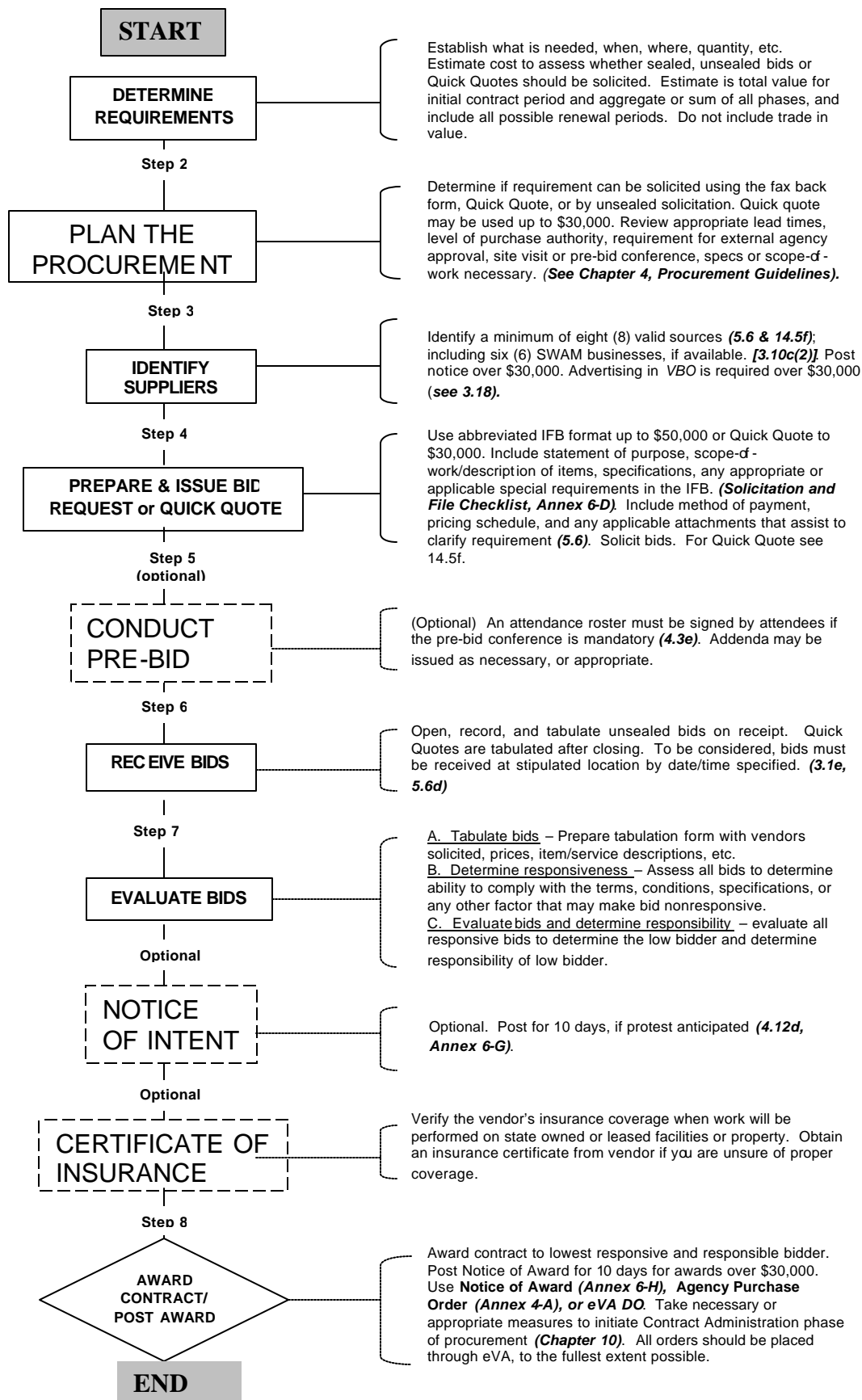
For Goods and Non-professional Services over \$5,000 to \$15,000



## Annex 5 -E

**UNSEALED BIDDING PROCESS**

For Goods and Non-professional Services over \$15,000 to \$50,000

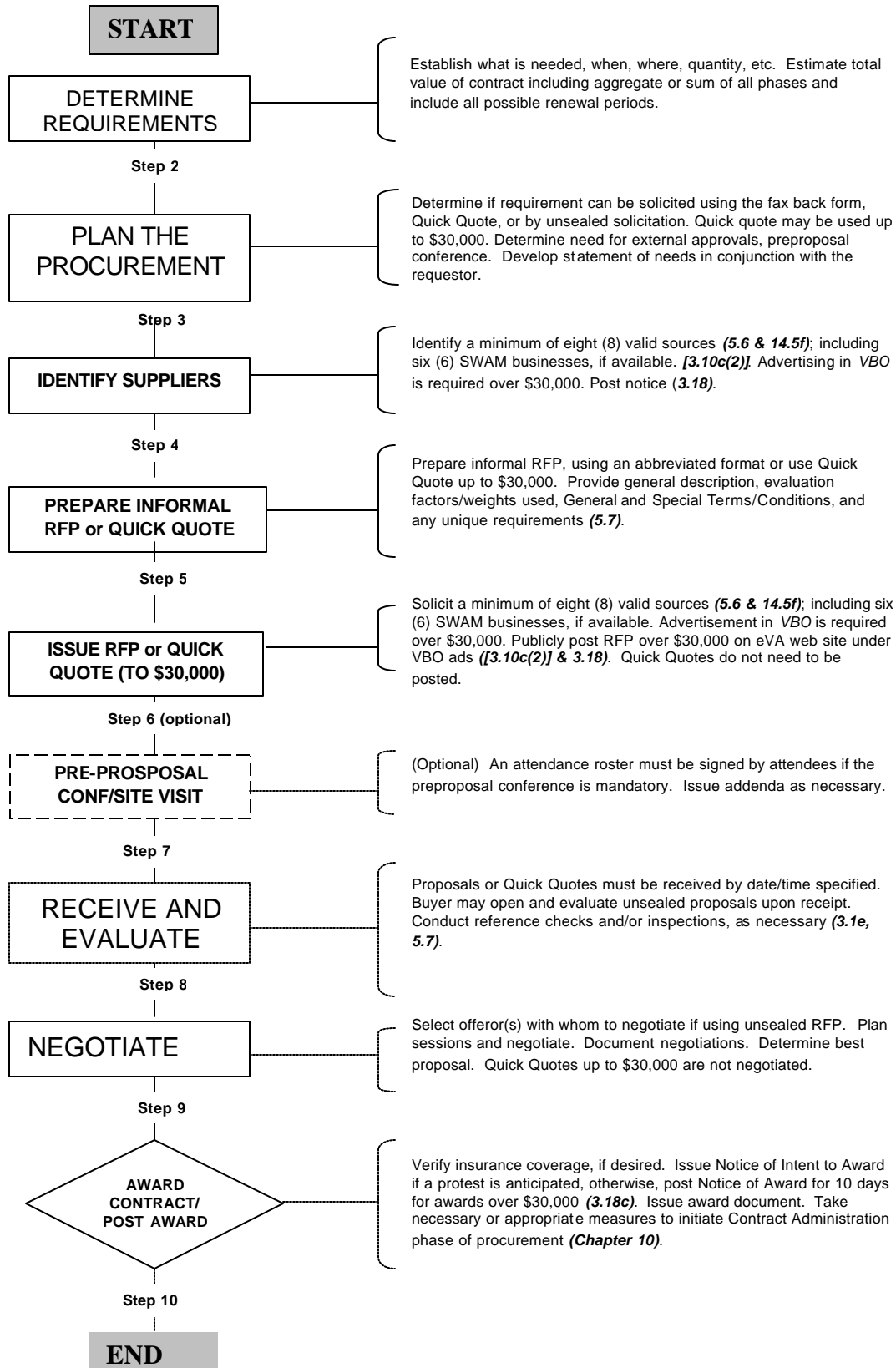




## Annex 5 -F

**UNSEALED PROPOSAL PROCESS**

For Goods and Non-professional Services over \$15,000 to \$50,000



## Annex 5-I

FAX BACK

PRICE QUOTE

To be considered, Respond by - Date: \_\_\_\_\_ Time: \_\_\_\_\_

Late bids will not be accepted. Fax response back to Fax Number: \_\_\_\_\_

Agency: Commonwealth of Virginia	Bidder:
	Fax Number:

Refer questions to \_\_\_\_\_ Phone Number \_\_\_\_\_

This solicitation is subject to the provisions of the Commonwealth of Virginia General Terms and Conditions, the DGS/DPS *Vendors Manual* and Special Terms and Conditions as attached

Applicable if checked: ☐ Insurance required. ☐ Contractor license required (insert below).  
License Number \_\_\_\_\_

The right is reserved to make an award on a line item, group, or total sum basis.

The following checked specification and/or bid procedure applies to this request:

- ☐ Service: Submit quote based on description of service.
- ☐ Generic: Bidder must list make, model and/or product description offered that will meet the below specified performance requirements.
- ☐ Brand Name or Equal: Bidder is not restricted to the specific brand name, but if an equal is quoted, sufficient descriptive literature must be faxed with the quote.
- ☐ Proprietary: Quotes will only be accepted for exact brand and model listed.

Quote F.O.B. Destination.

Item	Description of Item/Service	Quan	Unit	Price	Total

Delivery Date (ARO): \_\_\_\_\_  
Prompt Payment Discount Terms: \_\_\_\_\_

Page/Grand Total \$ \_\_\_\_\_

**My signature on this solicitation indicates that I will comply with all Terms and Conditions. I agree to furnish the goods/services at the price(s) indicated.**

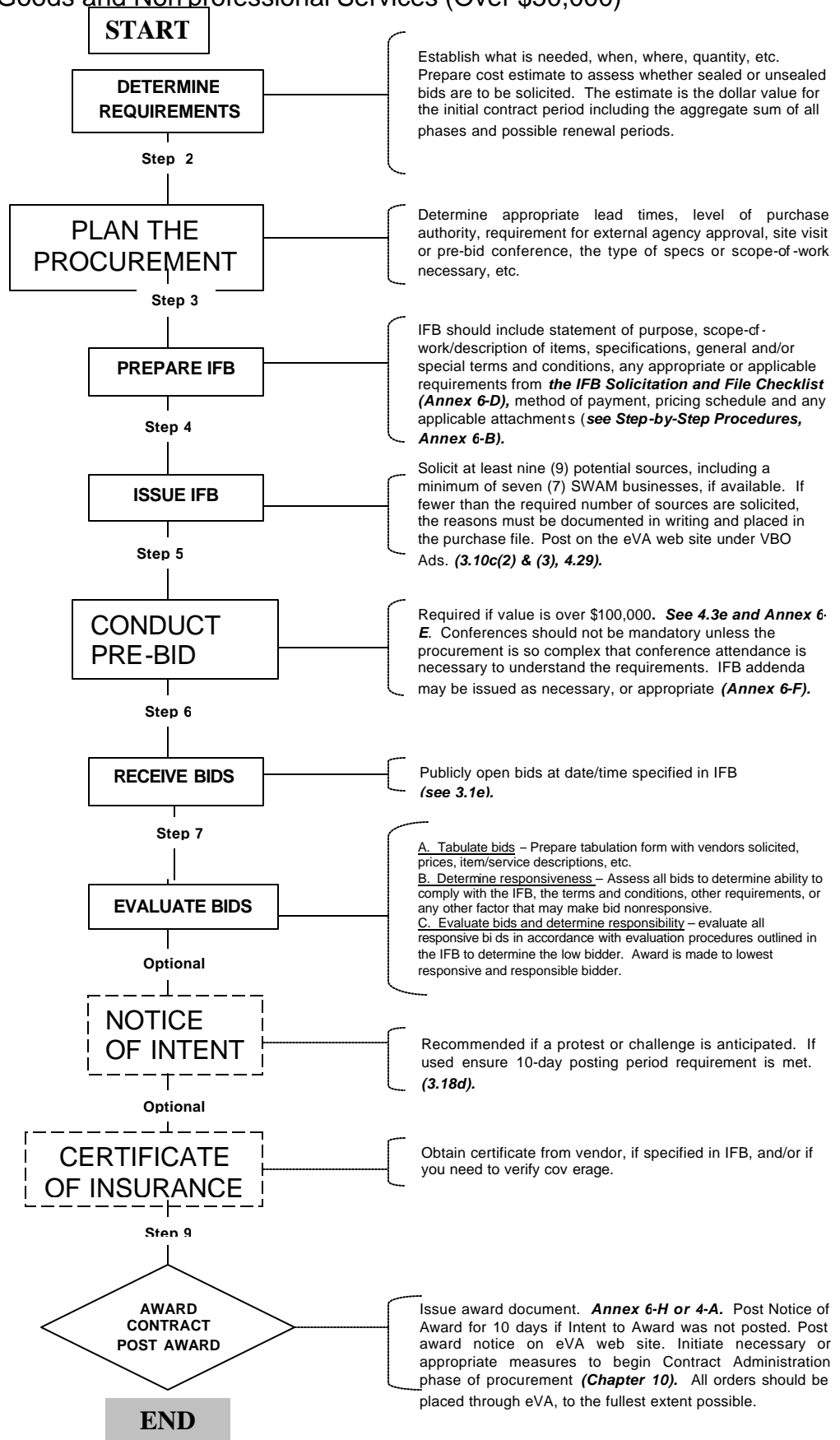
Bidder Signature: \_\_\_\_\_ Phone: \_\_\_\_\_  
FIN/FEI Number: \_\_\_\_\_ Date: \_\_\_\_\_

- 6.2 e. **Sources.** Solicit at least **nine (9) valid** sources, **including a minimum of seven (7) SWAM (small, women-owned and minority** businesses, if available. If fewer than the required number of sources are solicited, the reasons must be documented in writing and placed in the purchase file.

## Annex 6 -A

**COMPETITIVE SEALED BID PROCESS (CODE OF VA §§ 2.2-4301, 2.2-4303A)**

For Goods and Non-professional Services (Over \$50,000)



Annex 6-B, Step 4, B.

IDENTIFY POTENTIAL SOURCES: Select **appropriate number of** sources to solicit. Prepare a **solicitation** list (see 2.3 and 3.10).

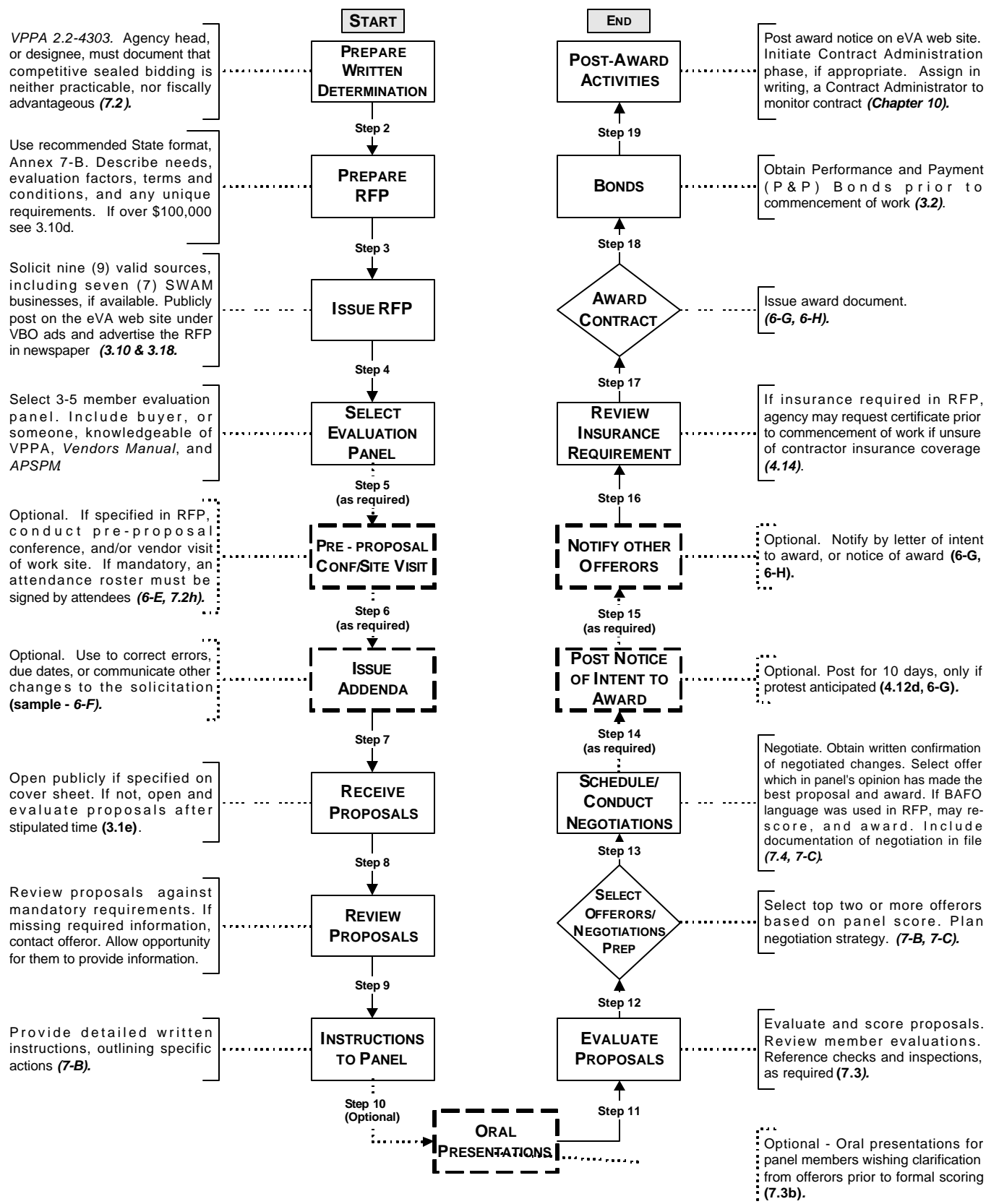
Annex 6-D IFB Solicitation and File Checklist

Bidders List: Solicit **nine (9) valid sources, including a minimum of seven (7) SWAM businesses**, if available. The list should note which vendors are minority or women-owned vendors. If fewer are solicited, include reason in procurement file.

- 7.2 g. For the purchase of material, equipment, supplies or nonprofessional services estimated to cost \$50,000 or more, RFPs shall be sent to at least **nine (9) valid sources, including a minimum of seven (7) SWAM businesses**, if available. If fewer than the required number of sources are solicited, the reasons must be stated in writing and placed in the purchase file.

## Annex 7 -A

**COMPETITIVE NEGOTIATION PROCESS (CODE OF VA §§ 2.2-4301, 2.2-4303C)**  
For Goods and Non-professional Services over \$50,000



Annex 7-B, Step 3, II.

**IDENTIFY POTENTIAL SOURCES:** Select the appropriate number of sources and prepare a solicitation list (see 3.10).

Annex 7-B – Under Proposal Preparation and Submission Instructions:

Step 2, IV, 4. A. 2 (d) has been inserted. Previous d, and e., are re-identified as e., and f.

As used in this RFP, the terms "must", "shall", "should" and "may" identify the criticality of requirements. "Must" and "shall" identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary. Depending on the overall response to the RFP, some individual "must" and "shall" items may not be fully satisfied, but it is the intent to satisfy most, if not all, "must" and "shall" requirements. The inability of an Offeror to satisfy a "must" or "shall" requirement does not automatically remove that Offeror from consideration; however, it may seriously affect the overall rating of the Offerors' proposal.

Annex 7-E RFP Solicitation and File Checklist

**Offerors List:** Nine (9) offerors, including seven (7) SWAM businesses, if available must be solicited. The list should indicate the minority or women-owned vendors. If fewer are solicited, include reason in procurement file.

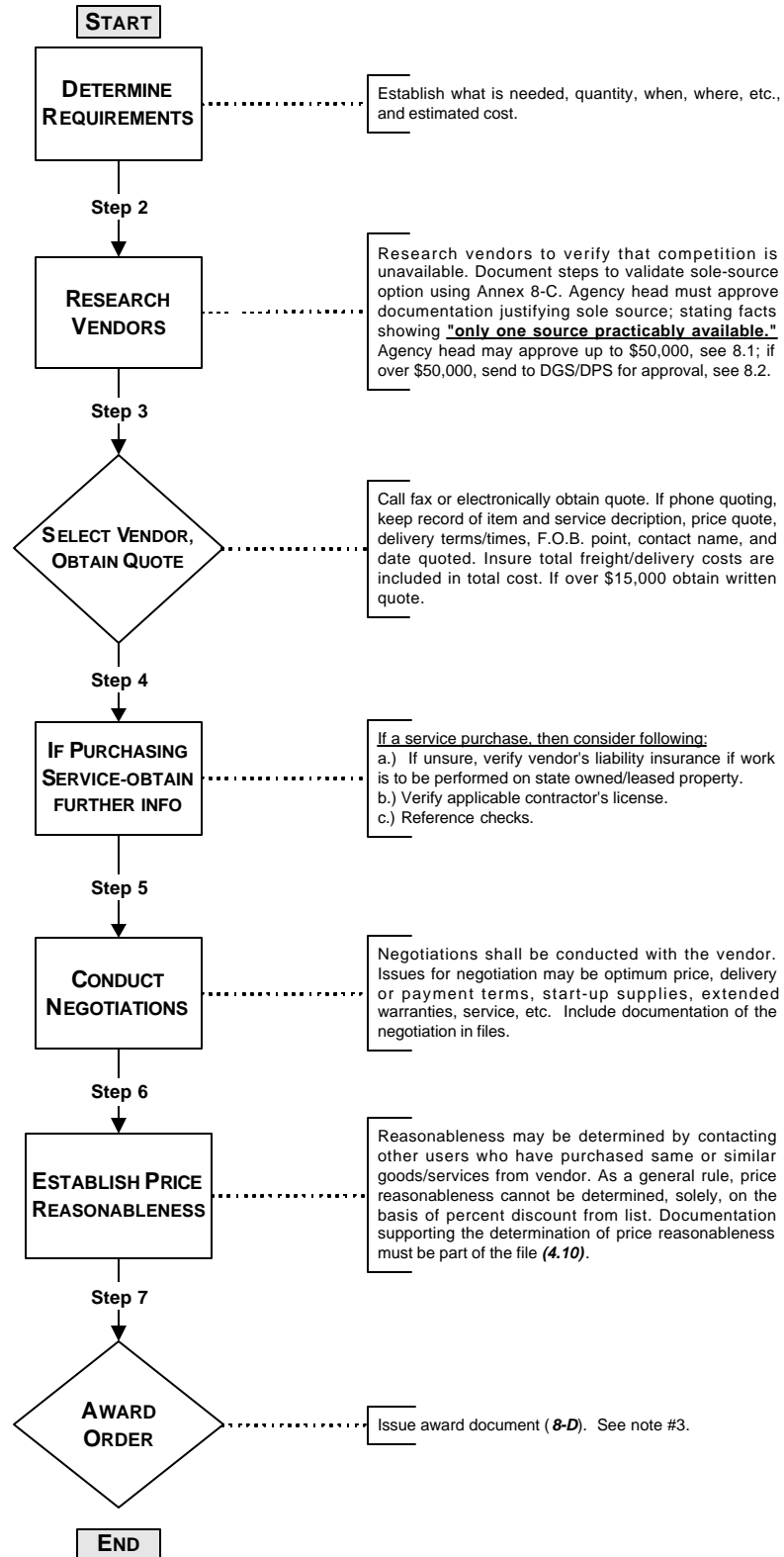
- 8.1 **Agency Head Approval for Sole Source Procurements to \$50,000.** All sole source procurements for non-technology goods and services to \$50,000 must be approved in advance by the agency head [see 1.2e(2)]. The written determination, using the Sole Source Procurement Approval Request form in Annex 8-C documenting that there is only one source practicably available for that which is to be procured, must be included in the procurement file. In addition, a memorandum must be attached to the request which addresses the four points shown in 8.2. The writing shall document the basis for the determination, which should include any market analysis conducted in order to ensure that the good or service required was practicably available from only one source.
- 8.2 **Procurements Over \$50,000.** All sole source procurements for non-technology goods and services over \$50,000 must be approved prior to commencement of the actual procurement by DGS/DPS using the Sole Source Procurement Approval Request form found in Annex 8-C.



## Annex 8 -A

**SOLE SOURCE PROCESS (CODE OF VA § 2.2-4303E)**

For Goods and Non-professional Services when competition is not practicably available.



## Annex 8 -B

## SOLE SOURCE CHECKLIST

- \_\_\_\_\_ 1. Written determination approved by the agency head for procurements to \$50,000. The procurement must address the four points shown in 8.2.
- \_\_\_\_\_ 2. Approval for sole source, non-technology procurements over \$50,000 must be signed by the agency head and sent to DGS/DPS for approval prior to commencement of the actual procurement.
- \_\_\_\_\_ 3. Noncompetitive negotiation shall be conducted. The file shall include the results of the negotiations.
- \_\_\_\_\_ 4. Evidence that a determination of price reasonableness was conducted.
- \_\_\_\_\_ 5. Sole source notice of award posted for purchases over \$30,000.
- \_\_\_\_\_ 6. PO or contract issued.

(Rev. 7/03)

**Annex 8 -C****Sole Source Procurement Approval Request****Non-Technology Goods and Services**

All requests for non-technology sole source purchases must meet the criteria established under § 2.2-4303 E. of the *Code of Virginia*. The agency head must sign this form. The Department of General Services/Division of Purchases and Supply (DGS/DPS) must review and approve all non-technology requests exceeding **\$50,000** before issuance of any contract or purchase order. In addition, the agency must also (1) assign an identifying number to the request, (2) attach a brief description of the contract, and (3) attach the sole source justification in accordance with the instructions contained in **8.1 or 8.2 and** Annex 8-C, *Agency Procurement and Surplus Property Manual*.

Agency Code \_\_\_\_\_ Request Number \_\_\_\_\_ Date \_\_\_\_\_

Agency Name \_\_\_\_\_

Agency Head Signature \_\_\_\_\_

Print Agency Head Name \_\_\_\_\_

Contact Person \_\_\_\_\_ Telephone Number \_\_\_\_\_

Total Amount of Sole Source \$ \_\_\_\_\_ Facsimile Number \_\_\_\_\_

---

Commodity Code	Description
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**Division of Purchases and Supply**

- ☐ **Approved**
- ☐ **Disapproved**
- ☐ **More information needed (specify and return to agency)**

Signature \_\_\_\_\_ Date \_\_\_\_\_

---

Note: This form must be filed with the contract/purchase order. Agencies and institutions are delegated authority to make contract award after appropriate approval. (Purchase using noncompetitive negotiation.)

## SOLE SOURCE PROCUREMENT INSTRUCTIONS

---

*It is the policy of the Commonwealth of Virginia that contracts be awarded on a competitive basis and that the use of a sole source procurement must be limited to those instances where only one source is practicably available.*

Sole source requests must contain a memorandum from the purchasing agency that addresses in a direct and concise manner the following four points (by number and in order):

1. Explain why this is the only product or service that can meet the needs of the purchasing agency.
2. Explain why this vendor is the only practicably available source from which to obtain this product or service.
3. Explain why the price is considered reasonable.
4. Describe the efforts that were made to conduct a noncompetitive negotiation to get the best possible price for the taxpayers.

Agencies must use the Sole Source Procurement Approval Request form, **Annex 8-C**, as the cover routing form for all sole source procurements. Complete the “Agency” portion of the form and forward the sole source procurement **request, not related to information technology, above \$50,000**, to the Division of Purchases and Supply.

Questions one through four (noted above) and their respective answers must be submitted with the Sole Source Procurement Approval Request.

- 10.12 **Modifications and Change Orders.** Any request for change affecting price, quality, quantity, delivery or cancellation requires a thorough written explanation by the agency prior to approval. A contractor shall not be notified that a change has been approved until that change has been authorized by the appropriate buyer or contract officer. All change requests should be evaluated for contract validity and a price reasonableness determination of the change shall be made in writing. See 3.5 on when an official change order is required and which form to use to document modifications, changes or cancellation.

## Annex 13-D

FAX REQUEST TO: 804-371- 8936

Exemption Number

**Department of General Services - Division of Purchases & Supply  
Procurement Exemption Request**

(1) Requesting Agency: \_\_\_\_\_ Agency Code:

(2) Requestor's Name: \_\_\_\_\_ Phone #:

(3) Date of Request: \_\_\_\_\_ FAX #:

(4) Description of Procurement:  
Applicable Commodity Code:

(5) Proposed Method of Procurement:

☐ Telephonic Quotation  
☐ Written Solicitation

☐  
☐

 Facsimile Solicitation  
 Other:
(6) Is There a Recurring Demand for this Commodity? ☐ Yes ☐ No(7) Will Competition Be Sought In Procuring This Requirement? ☐ Yes ☐ No

(8) If not seeking competition, provide reason:

(9) Justification for Request (Use attachments if necessary):

\*\*\*\*\* DPS Use Only \*\*\*\*\*

(10) Exemption Request is hereby: ☐ Approved ☐ Denied

If denied, reason for denial:

(12) Additional comments or requirements:

(13) Contract Officer Assigned Request:

(14) Director (or designee) for Procurement Sign Off: \_\_\_\_\_ Date:

(rev. 07/01/03)

- 14.0 Clarifies that policies contained in Chapter 14 are applicable only to transactions processed through eVA and shall take precedence in the event of conflict with other sections of this manual.
- 14.5 **Small Purchase Competitive Requirements.** eVA provides the capability to shop e-Mall catalogs (non-contract) up to \$30,000 and to solicit informal competition electronically via Quick Quote for small dollar requirements up to **\$30,000**. Small purchase solicitations are not required to be publicly advertised for 10 days, but the deadline set for a response should take into consideration the agency's needs and the time needed by potential bidders to review the requirement and to offer a quote. The award shall be made to the lowest responsive and responsible bidder.
- 14.5 b **e-Mall Search Responses (over \$5,000 to \$15,000):** e-Mall catalog (non-contract) prices are acceptable as quotes whenever a minimum of **six (6)** valid responses, **including four (4) SWAM businesses, if available**, are received as a result of the e-Mall search. A valid response is defined as an item meeting brand name or equal, generic or proprietary specification requirements. Additional competition need not be solicited in such instances, but the award shall be made to the lowest price e-Mall vendor meeting specifications. Whenever less than **six (6)** e-Mall catalog responses are received, additional competition must be solicited via Quick Quote (see paragraph 14.5e) to comply with the required **six (6)** valid responses. Each valid e-Mall response should be counted as a quote and included in the bid tabulation along with the additional Quick Quotes received. In the event additional valid sources could not be identified or the number of additional valid responses did not total **six (6)** when combined with the e-Mall search, document the attempt made to identify other sources and/or conduct a price reasonableness determination if only one valid quote was received. Such documentation may be noted in the comment block of the eVA purchase request. Be aware that e-Mall catalog pricing is generally for one each, inclusive of shipping and handling charges and, therefore, a lower price plus additional savings for shipping can be expected for multiple quantities and/or line items if solicited via Quick Quote.
- c. **e-Mall Search Responses (over \$15,000 to \$30,000):** The same procedure as stipulated in paragraph 14.5b and 14.5f shall apply for e-Mall responses over \$15,000 to \$30,000, except **solicit eight (8) valid sources, including six (6) SWAM businesses, if available**.
- e. **Quick Quote (over \$5,000 to \$15,000):** Solicit via Quick Quote for non-contract requirements between \$5,000 and \$15,000 a minimum of **six** valid sources, **including four (4) SWAM businesses, if available**. Quick Quote may also be used to solicit a quote(s) for requirements under \$5,000. Quick Quote solicitations should be open for a minimum of one (1) day to allow vendors to return pricing by the closing date and time. Vendors must be registered in eVA in order to respond to Quick Quotes in eVA. Quick Quote solicitations in eVA and the traditional telephone bidding or Faxback requests for quotes may be used simultaneously using the procedures in 5.5 and 5.6. In cases where the lowest responsive and responsible bidder is not solicited through Quick Quote, documentation must be maintained using procedures in 5.5 or 5.6 or attached electronically to the record.
- f. **Quick Quote (over \$15,000 to \$30,000):** The same procedure as stipulated in above paragraph 14.5e shall apply when soliciting competition via Quick Quote for non-contract requirements between \$15,000 and \$30,000, except **solicit eight (8) valid sources, including six (6) SWAM businesses, if available**. Quick Quote solicitation and award notices are not required to be posted on the eVA web site.
- 14.6 **Change Orders:** Any change to an eVA order shall be processed in accordance with 3.5 and 10.12. **In addition, a change order must be issued whenever a supplier may request it to ensure the supplier's eVA transaction fee is accurate or as may be required by internal policy when the actual invoiced amount differs from the PO total. Internal procedures should clearly stipulate that any needed or noted change(s) must be communicated, as they occur, to the preparer of the original purchase request by the end user, accounts payable or receiver, as appropriate. A Change Order Users Guide is available in eVA to assist in the preparation of change orders.**



14.9

**Use of eVA and Exclusions:**

a. **Use of eVA.** Orders from mandatory sources, mandatory contracts, optional use contracts, and pricing agreements shall be placed through eVA (see 14.4a and 14.4b). As directed by the Governor's Chief of Staff's memorandum to Heads of Executive Branch Agencies and Institutions of Higher Education, dated May 16, 2002, eVA shall be used to the fullest extent possible. To the fullest extent possible requires, among other items, the sending of orders electronically to vendors through the eVA Portal and storing purchase order data in the eVA data warehouse. Agencies and institutions are expected to utilize eVA through one of the following options:

- Agencies with enterprise resource planning (ERP) systems can process purchases using their ERP procurement tools, but must send all purchase orders to vendors through the eVA Internet portal or process purchases using the eVA procurement tools available.
- Agencies without ERPs can use eVA as their total procurement and order delivery system.

Guidance for contract officers on when to use the eVA Business-to-Government Vendor Registration clause, General Term and Condition X and the Price Escalation/De-escalation clause, Special Term and Condition 43, in Appendix B, is shown in the table below:

Contract Type	Guidance for Contract Officers
New 1-year term contracts without renewals	Include revised General Term & Condition X and the revised Escalation/De-Escalation Special Term & Condition, #43.
New 1-year term contracts with renewals	
New multi-year term contracts (e.g., 3-year contract with annual renewals thereafter)	
Existing multi-year term contracts without General Term & Condition X. (e.g., 3-year contract with annual renewals thereafter)	At renewal or prior to renewal and no later than July 1, 2003, modify existing multi-year contracts to include the revised General Term & Condition X and the revised Escalation/De-Escalation Special Term & Condition, #43.
Existing multi-year term contracts with the older version of General Term & Condition X. (e.g., 3-year contract with annual renewals thereafter)	
Existing annual term contracts (e.g., 1-year with annual renewals)	
Spot purchases	Include the revised General Term & Condition X.

b. **Exclusions.** Exclusions, regardless of dollar value, include the procurement types listed below. At the option of the agency or institution, purchases of the following types of goods and services may be placed through eVA, but the agency will pay the 1% transaction fee, capped at \$500.

1. Real estate leases
2. Advertisements such as in newspapers, magazines, journals, radio, television, etc.
3. Professional organizational membership dues
4. Registrations, including training and conferences
5. Petty cash purchases
6. Honoraria, entertainment (speakers, lecturers, musicians, performing artists)
7. Accreditation fees and academic testing services
8. Exhibition rental fees for exhibitions of historical artifacts or original works of art. (The rental fee may include charges other than the rental of the exhibition, such as transportation costs.)

9. Goods or personal services for direct use by the recipients of programs specified in the *Code of Virginia*, § 2.2-4345, if the procurement is made for an individual recipient. Contracts for the bulk procurement of goods or services for the use of recipients shall not be exempted.
10. Agency grants and research contracts to public bodies and non-profit organizations.
11. Medical Services procurements to include: Physical Therapist, Occupational Therapist, Audiologist, Psychologist and Patient Laboratory services
12. Utilities
13. Closed-loop systems or items for resale, or automated inventory control transactions, e.g., ABC, drugs (only POS drugs), multi-state drug contract, VCE orders for manufacturing process except that the basic contract for these systems can be processed through eVA, and VIB resale inventory.
14. Over-the-counter Small Purchase Charge Card (SPCC) purchases that are made at the site of the sale and picked up by the individual card holder
15. Revenue contracts, e.g., scrap, recycling or contracts with \$0 payment made by the Commonwealth, e.g., contracted out Bookstore, Food service operations
16. Interstate or federal government-to-government purchases
17. Intrastate government-to-government purchases, other than mandatory sources
18. Purchases from public auctions (non-electronic)
19. Surplus property
20. Contracts with commercial fisherman for replenishment, research and stock assessment activities
21. Individual travel and lodging

- 14.10 a. **Registration.** All vendors who accept purchase orders from Commonwealth agencies and institutions must register in eVA. All solicitations are subject to the General Terms and Conditions, which include General Term X. (eVA Business-to-Government Vendor Registration) requiring vendors to register to do business with the Commonwealth.

If the purchasing officer is unable to obtain vendor registration in eVA from a bidder or offeror, using any method of procurement, **other than noted below**, the purchasing officer shall document the file with the efforts made to register the vendor. In a competitive bid situation, **evaluate** the next lowest bid **or next best offer**. If a sole source vendor refuses to participate in eVA, sole source procedures should be followed including documentation on efforts to register the vendor.

- b. **Trading Partner Agreement (TPA) and Electronic Catalogs.** A TPA is required for all vendors who set up an eVA e-Mall catalog, with products, services, and pricing. In some cases, the contract does not lend itself to the development of a catalog and price list. In this case, the contractor must provide an index page describing the vendor's products, services, and vendor contact information. **Contractors should send Catalog or Index Page information to [www.eva-catalog-manager@dgs.state.va.us](mailto:www.eva-catalog-manager@dgs.state.va.us).**

## Appendix A: Definitions added or modified

**Affiliate:** Affiliate means an individual or business that controls, is controlled by, or is under common control with another individual or business. A person controls an entity if the person owns, directly or indirectly, more than 10 percent of the voting securities of the entity. For the purposes of this definition "voting security" means a security that (i) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (ii) is convertible into, or entitles the holder to receive, upon its exercise, a security that confers such a right to vote. A general partnership interest shall be deemed to be a voting security.

**Business:** Business means any type of corporation, partnership, limited liability company, association, or sole proprietorship operated for profit.

**Minority-owned Business:** Minority-owned Business means any business concern that is at least 51 percent owned by a minority individual or individuals (who are U.S. citizens) who also control and operate it. "Control," "Operate," and "Ownership" have the same meanings mentioned above. "Minority" includes African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent-Asian Americans, and other minorities. "Native Americans" include American Indians, Eskimos, Aleuts and Native Hawaiians. "Asian-Pacific Americans" include U.S. citizens whose origins are in Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, U.S. Trust Territory of the Pacific Islands (Republic of Palau), Northern Mariana Islands, Laos, Kampuchea (Cambodia), Taiwan, Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Republic of the Marshall Islands, or the Federated States of Micronesia. "Subcontinent-Asian Americans" include U.S. Citizens whose origins are in India, Pakistan, Bangladesh, Sri Lanka, Bhutan, or Nepal

**Must, Shall:** As used in specifications or requirements of a Request for Proposals (RFPs), the terms "must" and "shall" identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary.

**Shall, Must:** As used in specifications or requirements of a Request for Proposals (RFPs), the terms "must" and "shall" identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary.

**Should, May:** As used in a Request for Proposals (RFP), the terms "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary.

**SWAM:** The acronym SWAM, includes small businesses, women-owned businesses and minority-owned businesses. Refer to individual definitions contained in this Appendix.

**Women-owned Business** means a business concern that is at least 51 percent owned by a non-ethnic woman or women who are U.S. citizens and who also control and operate it. "Control" in this context means exercising the power to make policy decisions. "Operate" in this context means being actively involved in the day-to-day management of the business. "Ownership" in this context includes stock ownership.

## Appendix B, Section I.

### T. Insurance -

Health Care Practitioner (to include Dentists, Licensed Dental Hygienists, Optometrists, Registered or Licensed Practical Nurses, Pharmacists, Doctors, Podiatrists, Chiropractors, Physical Therapists, Physical Therapist Assistants, Clinical Psychologists, Clinical Social Workers, Professional Counselors, Hospitals, or Health Maintenance Organizations.)

**\$1,700,000** per occurrence, \$3,000,000 aggregate  
(Increased limit effective July 1, 2003)

**When Used: FOR CONSTRUCTION, SERVICE CONTRACTS AND GOODS CONTRACTS WHEN INSTALLATION IS REQUIRED** - Required in all solicitations where a contractor will perform work or services in or on state facilities. The limits are minimums and may be increased. The Department of Treasury, Division of Risk Management (804-786-3152) should be contacted when other types of coverage may be required or when in doubt as to the need for other limits. When soliciting one of the Professions/Services listed above include the Professional Liability/Errors and Omissions coverage and limits as shown. When not soliciting one of these Professions/Services, omit the required coverages section from the General Terms and Conditions boilerplate.

- W. **NONDISCRIMINATION OF CONTRACTORS:** A bidder, offeror, or contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based **organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest.** If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the

individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

**\* When Used: This clause shall be included in all solicitations using an Invitation for Bids or Request for Proposal (Code of Virginia, § 2.2-4343.1H).**

X. **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION:** The eVA Internet electronic procurement solution, web site portal [www.eva.state.va.us](http://www.eva.state.va.us), streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will result in the bid/proposal being rejected.

- a. eVA Basic Vendor Registration Service: \$25 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is \$500 per order. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, and electronic bidding.
- b. eVA Premium Vendor Registration Service: \$200 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is \$500 per order. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments, and ability to research historical procurement data, as they become available.

**\* When Used: Include in all solicitations, contracts, and contract renewals. In addition, this General Term and Conditions must be incorporated or incorporated by reference in all purchase orders issued by state agencies and institutions except for the procurement types which are excluded in section 14.9 or as otherwise provided in 14.10a.**

## Appendix B, Section II.

5. **ADDITIONAL USERS:** This procurement is being conducted on behalf of state agencies, institutions and other public bodies who may be added or deleted at anytime during the period of the contract. The addition or deletion of authorized users not specifically named in the solicitation shall be made only by written contract modification issued by this agency or institution and upon mutual agreement of the contractor. Such modification shall name the specific agency added or deleted and the effective date. The contractor shall not honor an order citing the resulting contract unless the ordering entity has been added by written contract modification.

**\*When Used: If the value of the contract, including any renewal periods is within the delegated authority of the lead agency and other agencies and institutions may benefit, the lead agency may issue a solicitation and include this clause on behalf of other public bodies. To obtain maximum pricing advantage, every effort should be made to identify participating agencies and their expected usage in the solicitation.**

46. Correct the Class headings as follows: **CLASS 2 - EXCELLENT QUALITY PRINTING, CLASS 3 – GOOD QUALITY PRINTING, CLASS 4 - MEDIUM QUALITY PRINTING.**

## 59. **eVA BUSINESS-TO-GOVERNMENT CONTRACTS:**

- b. Provide an electronic catalog (price list) or index page catalog for items awarded under a term contract. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from [www.eva.state.va.us](http://www.eva.state.va.us). Contractors should e-mail Catalog or Index Page information to [eva-catalog-manager@dgs.state.va.us](mailto:eva-catalog-manager@dgs.state.va.us).

**\* When Used: Include in solicitations and renewals of term contracts (statewide, single agency, and cooperative) issued by state agencies and institutions.**